ASPIRA Association, Inc. National Office

ARTHUR ANDERSEN LLP Results of Fiscal Year 1997 Audit

Overall Results of Audit of September 30, 1997 Financial Statements

- Audit performed in accordance with generally accepted accounting principles
- No restrictions were placed on our work, and there was good cooperation from ASPIRA personnel
- Unqualified opinion on the 1997 financial statements

Financial Highlights Summary

	<u>1997</u>	<u>1996</u>
Net Assets	\$1.9 million	\$2.3 million
Unrestricted Net Assets	.3 million	.2 million
Total Revenue	2.3 million	3.4 million
Change in Net Assets	(.4) million	1.3 million
Cash and Investments	1.4 million	1.1 million

Significant Matters Considered

- New OMB Circular A-133 Requirements/Changes
- Grants/contribution accounting
- Loan collectibility
- Primary Audit Adjustments
 - Accounting for leased space and equipment
 - Accounting for temporarily restricted revenue contributions
 - Salary accrual

Future Considerations

- Continuing improvements in finance and accounting management
 - Ongoing training and education on new pronouncements
 - Enhanced use of technology
 - Expanding analysis and planning, reducing routine processing
 - · Alternate revenue streams unitaled income must be toyak
 - · Year 2000 considerations

Required Communications with Audit Committee

- <u>Auditors' Responsibility</u> covered in our report. Management's responsibility is to prepare the financial statements. Our responsibility is to audit such statements.
- <u>Significant Accounting Policies</u> disclosed in footnotes, no changes in 1997.
- Management Judgments and Estimates discussed herein.
- Significant Audit Adjustments discussed herein.

Required Communications with Audit Committee

- Other Information in Documents Containing Audited Financial
 Statements none identified. Please contact us in advance if you wish to include our auditors' report in another document, such as an annual report.
- Disagreements with Management none.
- Consultation with Other Accountants N/A.
- Matters Discussed with Management Prior to Retention N/A.
- <u>Difficulties encountered in performing the audit</u> none.
 Management was very helpful and cooperative.

ASPIRA Association, Inc. National Office

Questions and Open Discussion